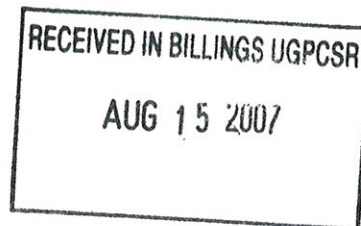


P.O. Box 5021, 59403-5021

August 14, 2007



Mr. Robert J. Harris  
Regional Manager  
Upper Great Plains Region  
Western Area Power Administration  
2900 4<sup>th</sup> Avenue North  
Billings, MT 59101-1266



Dear Mr. Harris:

The City of Great Falls, Montana, and its wholly owned electric supply utility, Electric City Power, Inc., is interested in receiving an allocation of Federal power from the Post-2010 Resource Pool, Pick-Sloan Missouri Basin Program—Eastern Division. Electric City Power (ECP) serves Montana communities with locally controlled, reliable and affordable electricity. ECP's role is to provide electricity at cost based rates to medium and large business and governmental consumers in the Great Falls area and to municipalities, governmental and non-profit type organizations and qualified major customers elsewhere in Montana.

ECP presently serves about 30 MW of peak load. It anticipates significantly increasing this load by October 1. ECP is building its energy supply portfolio through Southern Montana Electric Generation and Transmission Co-op, Inc., to include green power sources, a 37 MW ownership share of Highwood Generating Station, co-generation output from the City of Great Falls, and long term power purchase agreements. The City is a member of SME G & T.

ECP is a licensed electricity supplier in the state of Montana. The license was issued by the Public Service Commission. ECP is one of a very small number of competitive electricity suppliers in Montana that offer an alternative to NorthWestern Energy.

The City's electricity program was started for the purposes of economic development and job creation, rate advantages for major employers and tax supported agencies, local control of energy supply and cost, and to create opportunities for innovative energy supply including renewables.

An allocation of WAPA power would greatly assist in the development of a broad based and balanced supply portfolio for Great Falls. We believe the resource pool should be allocated to assist in the furtherance of public power, to promote economic development and job creation in the region, and to encourage innovation in public power supply.

We look forward to participating in this process.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Lawton".

John W. Lawton  
City Manager